



STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D

15 JAN 27 A9:48

ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Garry L. Kemp, Administrator, CSEA, OAG
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction:

Providing genetic testing services and results to establish paternity for child support purposes.

2. Vendor/Contractor/Service Provider

Laboratory Corporation of America

3. Amount of Request:

~~\$ 60,000.00~~ \$140,000
sam 2/6/15 HOLDINGS sam 2/6/15

4. Term of Contract From: ~~2/1/2015~~

To: ~~1/31/2017~~

5. Prior SPO-007, Procurement Exemption

(PE): None

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

Please see attachment.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:

Approval is granted for the period 3/1/2015 to 2/28/2018 (3 years) with the understanding the department will submit form SPO-016, Report of Procurement Violation, because the department failed to utilize small purchases procurement in HlePRO. This approval is for the solicitation process only. HRS section 103D-310(c) and HAR section 3-122-112, shall apply (i.e. vendor is required to provide proof of compliance) and award is required to be posted on the Awards Reporting System. Copies of the compliance and awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Stanton Mato at 586-0566, or email stanton.d.mato@hawaii.gov.

☒ Approved

☐ Disapproved

☐ No Action Required



Chief Procurement Officer Signature

2/18/15

Date

Attachment to Form SPO-07

6. Laboratory Corporation of America (LabCorp) has the most extensive DNA data base of the various ethnic groups comprising the population of Hawaii. This enables them to provide paternity probability statistics that are most appropriate to the ethnic mix of our state's population.

LabCorp has accumulated and retained tremendous amount of Hawaii samples in storage because the Family Support Units in Hawaii has used them since the mid 1990's (except a couple of times they were outbid by another vendor.) The re-use of those samples, rather than re-sampling the same person, saves the State time. When existing samples are used, the State employee does not have to make telephonic or written arrangements with the person regarding genetic sampling, send out appointment confirmation letters, or provide reception services for the party who comes in for sampling. Additionally, many parties cancel appointments, and the State worker must repeat the process of setting up the sampling if LabCorp's stored samples are not available for retesting. During the period the company lost the contract, they would charge a fee to transfer their samples to the new lab. This would be costly and add fiscal burden to the agency.

Extensive State employee time and State money are wasted when the genetic testing vendor is changed. This is because the parties (mother, child, alleged father) to a genetic test are not all sampled at the same time. The State currently has numerous cases where some parties have been sampled and other parties have not yet been sampled. (That is the reason for this myriad: One party is on the Mainland, on a military tour, has been uncooperative, has moved without providing a current address, was not scheduled

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until after the genetic testing vendor changed, etc.) In these situations, the parties tested by the old laboratory under the old contract must be re-sampled. This requires the State employee to arrange for re-sampling of the previously sampled parties. Payment to the new laboratory for the re-sampling must be made. Thus, the State is paying twice for the same DNA profile—once from the former lab and once from the current lab.

The value of the continuity of using the same lab cannot be overstated. Because there are so many custodial parents who have children by different fathers, and vice versa, LabCorp has all tested parties in their system. It becomes unnecessary to physically retest parties as the lab can merely run a new test on the samples already in their possession. This speeds things along with the Family Support Unit's paternity cases, making both the agency and the overseeing federal authority happy.

In addition, LabCorp has a great turnaround time. Not to mention that in most interstate child support cases the initiating jurisdictions use LabCorp as well; therefore, this facilitates timely scheduling of various parties for hearing. The company has a fairly intuitive computer system which allows the Family Support Unit workers to set up genetic sample collections, check on the status of ongoing cases, and retrieve data in completed cases all on their website.